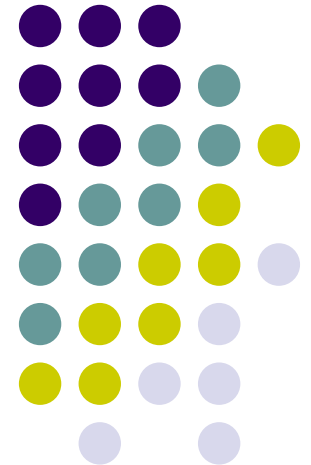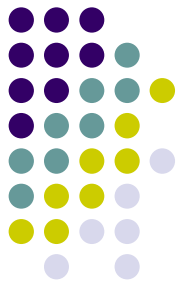# Financial $ervices

December 14, 2005

Financial Services Strategic Agenda

- Manage toward the agency's long-term financial health

- Maintain Governor, OFM, legislator, legislative staff, and stakeholder confidence in Ecology's management of its financial resources

- Provide high quality information to agency managers to support sound decision-making, resource planning, and performance measurement

- Provide financial services to support programs and employees in their daily work for the agency

05-07 Program Plan Activities
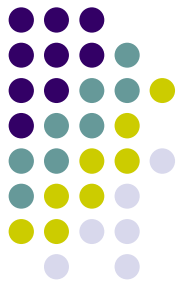
- **Manage and process payroll**
  - **% of timesheets entered by the pay period deadlines (target is 99%)**
- **Manage agency contracts and grants**
  - % of contracts that stipulate payments are tied to deliverables or milestones
  - % of grants that include deliverables, milestones, or performance measures
- **Manage agency purchasing operations**
  - % of purchases processed according to agency policy
  - % of purchases referred back to a manager due to inconsistency w/agency sustainability policy and/or questionable business need
- **Manage cost-reimbursement receivable agreements**
  - % of cost-reimbursement receivable agreements signed before project work begins

Manage and Process Payroll
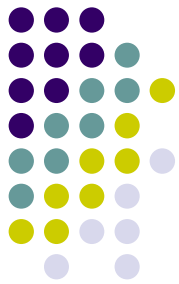
Differences in the way payroll is processed

| The way we are now… (with the current payroll system – PAY1)	…the way it will be (with HRMS and the HRMS/TMS interface) Effective 6/16/06-6/30/06 pay period, reflected on 7/10/06 pay check
Salaried employees' pay doesn't vary month to month (L&I/Medical Aid paid at a flat rate & Social Security calculated based on salary per pay period)	Employees' net pay may vary (L&I/Medical Aid based on work schedule/hours worked & Social Security calculated based on YTD salary)
Leave balances shown on paychecks lag up to 2 months	Leave balances will be up to date for pay period reflected on paycheck
Because of lag in the leave process, Payroll staff could easily unlock TMS to allow timekeepers to make corrections	Payroll staff can still unlock TMS, but also must access HRMS re-figure leave manually if changes are needed after the pay period
Checks are produced up to 8 days after pay period ends	Checks are produced up to 3 days after pay period ends
Procedure 6-04-01 requires employees to submit semi-monthly time sheets	**Procedure 6-04-01 requires employees to submit semi-monthly time sheets**

Manage and Process Payroll
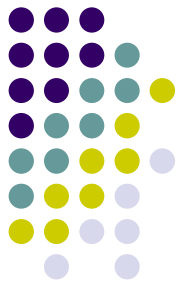
Why is this important?

- Get paychecks right the first time to avoid over- and under-payments

- Employees have accurate leave balances

- Ensure managers have accurate salary/benefit information for managing their budgets

- Avoid re-work for payroll staff and timekeepers

- Payroll staff will have up to 5 days less to process paychecks
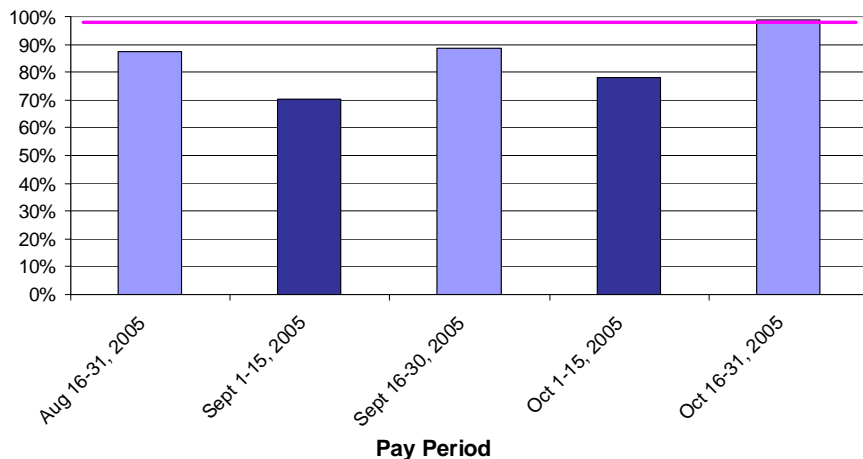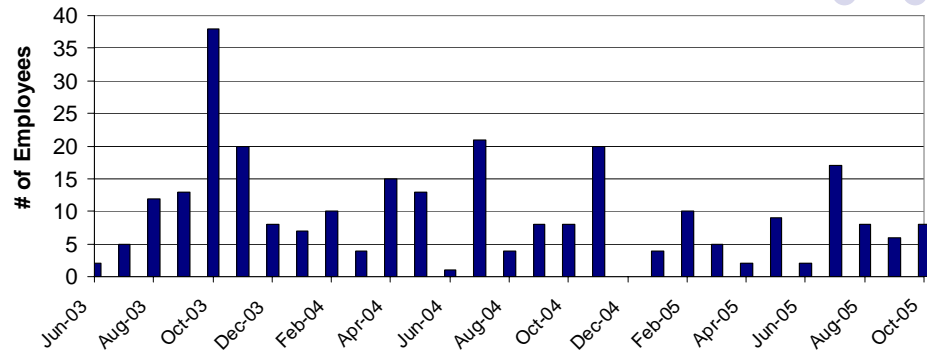
Manage and Process Payroll
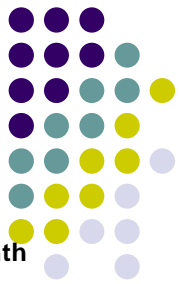
Measuring Success

Measure: Improve the **percent of employee timesheets** that are entered by pay period deadlines – target is 99%

First Qrtr: 86.5% avg. (does not include July 05)

**Timesheets Not Entered or Locked on Time by Month**

Analysis

- We're doing pretty well already!

- Historical data shows **non**-compliance by **number** of timesheets by **month**

- New measure shows **compliance** as a **percentage** of timesheets by **pay period**

- Deadlines are met more often in the second pay period, because many timekeepers are entering time once per month

- Deadlines are missed more around holidays/vacations because staff don't get sheets to timekeepers and/or timekeepers are gone over a deadline and they don't have back-up

Percent of Timesheets Entered by Current Pay Period Deadlines

6

Manage and Process Payroll
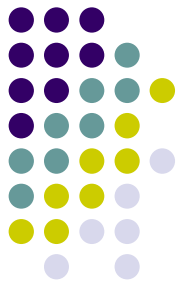
How will we meet our goal?
With everyone's help, of course!

Focus on managers

- Gary and his staff will meet with and communicate vital information to supervisors, managers, and timekeepers so they understand system requirements

- Managers provide support to time keepers, including back-up support

- Managers ensure staff have the time necessary and cooperation from staff to meet fiscal deadlines

- Managers can build this measure into expectations for their staff – use the Exception Report

- Managers require leave slips to be submitted according to the Collective Bargaining Agreement/Civil Service Rules (357 WAC)

Good News

We're already doing well – and it's easier to remember your schedule/hours worked for two weeks, rather than an entire month (folks who are already doing time keeping on a semi-monthly basis say it's easier!).